Resolving Your Rejected Returns

June 28, 2005

- What <u>Causes</u> Rejects

- How to <u>Read</u> an ACK File

- How to <u>Resolve</u> Your Rejects

- How to <u>Avoid</u> Rejects and <u>limit</u> stress during filing season!!

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IRS *Validity Checks*

Up-front checks on every *e*-file return:

- Validation of Forms/Schedules

- Verification Checks: SSN, EIN, Year of Birth, Date of Death

- Duplicates – Filing and TINs

- Verify AGI for Self-Select PIN

- Check for Debt Offset

- Checked for EIC Certification (Form 8836)

Pub 1345A

Filing Season Supplement

Form Field Exhibit Index

The following exhibits show the corresponding locations of the SEQ numbers on individual income tax forms and schedules and electronically transmitted documents. These exhibits are useful in resolving error conditions identified in the acknowledgment files.

Form or Schedule	Page Number		Form or Schedule	Page Number
Form 1040	B-1		Form 2555	B-52
Schedule A&B	B-3		Form 2555EZ	B-55
Schedule C	B-5		Form 3468	B-57
Schedule C-EZ	B-7		Form 3800	B-58
Schedule D	B-8		Form 3903	B-59
Schedule E	B-10		Form 4136	B-60
Schedule EIC	B-12		Form 4137	B-62
Schedule F	B-13		Form 4255	B-63
Schedule H	B-15		Form 4562	B-64
Schedule J	B-17		Form 4563	B-66
Schedule R	B-18		Form 4684	B-67
Schedule SE	B-20		Form 4797	B-69

IRS Nationwide
2005
Tax**FORUM**

IRS ACKNOWLEDGEMENT FILE #1
EFIN: 93XXXX

Contact Name & Number: ERO

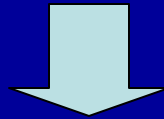| 1. SSN	2. Name	3. Refund	4. Status	5. DT	6. St	7. SIG DOC	8. DEBT	9. DCN
111-11-1111	Allen	362	A	4/8	OR	**PIN**	I	00-93xxxx
111-11-1112	Brown	2,565	A	4/8	OR		N	00-93xxxx
111-11-1113	Clark	- 989	A	4/8	ID	**PIN**	N	00-93xxxx
111-11-1114	Davis	1,355	R	4/8	ID			00-93xxxx
111-11-1115	Evers	585	A	4/8	NY		F	00-93xxxx

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Reject Report

SS Number: 111-11-1114

Name: Davis

DCN: 00-93xxxx

Form Reference: Form 1040/A, Copy number 01

Sequence number 185   Error Code: 504

Dependent's SSN (SEQ 175,185,195,205,215,225) and corresponding Dependent Name Control (SEQ 172,182,192,202,212,2220) must match data from the IRS Master File

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Every possible entry (field) on each return is assigned a number (Sequence Number or SEQ). For example, the entity section of the 1040 contains records that have several fields. Examples are: Primary and Secondary Name Fields; SSN fields. Each field is assigned a Sequence Number.

Form **1040**   Department of the Treasury—Internal Revenue Service
U.S. Individual Income Tax Return 20**04**   (99)   IRS Use Only—Do not write or staple in this space.

For the year Jan. 1–Dec. 31, 2004, or other tax year beginning   , 2004, ending   , 20

Label
(See instructions on page 16.)
Use the IRS label. Otherwise, please print or type.

L A B E L   H E R E

Your first name and initial   Last name
060
If a joint return, spouse's first name and initial   Last name
070
Home address (number and street). If you have a P.O. box, see page 16.   Apt. no.
062   080
City, town or post office, state, and ZIP code. If you have a foreign address, see page 16.   100
064   066   083   087   095   097

▲ **Important!** ▲
You must enter your SSN(s) above.

1You 115   Spouse125

Presidential Election Campaign
(See page 16.)
Note. Checking "Yes" will not change your tax or reduce your refund.
Do you, or your spouse if filing a joint return, want $3 to go to this fund? . . . ▶ ☐Yes ☐No ☐Yes ☐No

Filing Status
Check only one box.
130
1 ☐ Single
2 ☐ Married filing jointly (even if only one had income)
3 ☐ Married filing separately. Enter spouse's SSN above and full name here. ▶   140
4 ☐ Head of household (with qualifying person). (See page 17.) If the qualifying person is a child but not your dependent, enter this child's name here.▶   150   153
@135 "STM pp"
5 ☐ Qualifying widow(er) with dependent child (see page 17)

Exemptions
6a150 Yourself. If someone can claim you as a dependent, do not check box 6a . . . .
b163 Spouse . . . 164 . . . 165 . . . .

c Dependents:
(1) First name   Last name
*170   +171
180   181
190   191
200   201

(3) Dependent's relationship to you
+177
187
197
207

(4) If qualifying child for child tax credit (see page 18)
☐178
☐188
☐198
☐208

Boxes checked on 6a and 6b   167
No. of children on 6c who:
• lived with you 240
• did not live with you due to divorce or separation (see page 18) 247
Dependents on 6c not entered above 350

If more than four dependents, see page 18.

d Total number of exemptions c . . . .

Add numbers on lines above ▶ 355

600 - IRS indicates that the Taxpayer must file Form 8862 to claim Earned Income Credit after disallowance. Form 8862 is missing from the tax return and it is required.

372/373 -When Child Tax Credit/Additional Child Tax Credit is significant, at least one Child must qualify for the credit.

510 - Primary SSN and/or Secondary SSN where the SSN was claimed as an exemption on the return and was also used as a Dependent's SSN on another return

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506 - Qualifying SSN of Schedule EIC was previously used for the same purpose

503 - Secondary SSN and Name Control on Form must match data from the Master File

500 - Primary SSN and Name Control on Tax Form must match data from the IRS Master File

502 – EIN on Form W-2, W-2G, or 1099-R must match data from the IRS Master File

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507 - Dependent's SSN of the Form 1040/A previously used for the same purpose

501 – Qualifying SSN of Schedule EIC and the corresponding Year of Birth must match data received from SSA

And the #1 *e*-file Reject Code

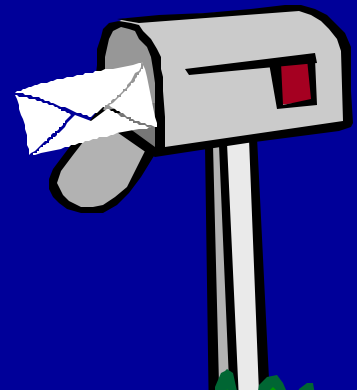**504** -Dependent's SSN must match data from the IRS Master File

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Reducing Rejects

- Ask to see a picture ID

- Ask to see Social Security Cards

- Check and recheck TINs and EINs

- Double Check Year of Birth

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Unsolvable Rejects

- Duplicate Filings

- Duplicate TIN used on a return for spouse, dependent, or earned income credit qualifying child

- Invalid EIN on W-2/1099

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Assistance & Resources

- e-Help - 866-255-0654

- QuickAlerts

- www.irs.gov and www.ssa.gov

- Treasury Offsets - 800-304-3107

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Questions?